Regional Program Summary

	RGGI	WCI	Midwestern Accord
Participants	USA: CT, DE, MA, MD, ME, NH, NJ, NY, RI, VT	USA.: AZ, CA, NM, MT, OR, UT, WA CAN: BC, ON, MB, QC	USA: IL, IO, KS, MI, MN, WI CAN: MB
Program Status	Emissions covered beginning Jan 2009. First auction held September 2008.	Will commence Jan 2012. On 9/23/08 released design document containing agreed-upon program parameters. Model Rule under development.	Will commence Jan 2012. Draft final recommendations released May 2009. Will finalize recommendations after regional economic modeling completed in summer of 2009. Model Rule under development.
Program Scope	CO_2 emissions from large electric generators (28% of region-wide CO_2 emissions).	6 Kyoto gases. In 2012, covers emissions from electricity generators and large industrial sources (about 1/2 of total GHG emissions). In 2015 expand to cover emissions from residential, commercial, and other industrial combustion, and transportation fuels (nearly 90% of emissions).	6 Kyoto gases. Economy-wide, covering roughly 85% of total emissions. Electric, industrial, residential, commercial, and transportation combustion is covered, as well as industrial process emissions. Economy-wide beginning 2012 for all USA jurisdictions. Manitoba will phase-in coverage in manner similar to WCI. Coverage is lower than WCI due to differences in regional emissions portfolios.
Reduction Targets	2009-14 cap set at level roughly equal to historical emissions. Cap declines 2.5% per year from 2015-2018, resulting in 10% reduction from 2009 budget.	Regional average reduction of 15% below 2005 levels by 2020 (jurisdiction targets vary)	20% below 2005 levels by 2020, though this may decrease to 18% if allowances are released from the cost containment allowance pool. 80% below 2005 levels by 2050.
Offset Limits	50% of emissions reductions from business as usual projections. Equates to 3.3% of compliance obligation initially, may expand to 5% and 10% if allowance price triggers met.	No more than 49% of emissions reductions relative to starting cap.	20% of compliance obligation, may expand if allowance prices rise above price thresholds (note, price thresholds not yet determined). In the 1st two compliance periods, offset limits are just under 4x the reductions relative to starting cap. This falls to 7% of the reductions in the period covering 2048-50.
Auction Percentage	According to initial agreement, 25% of allowances allocated for consumer benefit or strategic energy purpose; states can choose how to allocate remaining 75%.	10% minimum at start. Increase to 25% minimum by 2020. Aspirational goal of 100%.	May vary jurisdiction to jurisdiction. The Advisory Group recommended the following. 100% of transportation and merchant generator allowances, unless entity can demonstrate that unable to pass through costs. Initially 5% of industrial sector and 10% of electric sector allowances auctioned, remaining industrial and electric sector allowances sold to covered entities for a "modest fee." This equates to an auction of about 1/3 of all allowances. Also recommended a shift to a full auction over time.
Actual Auction %	Initially > 85% of the region's allowances will be auctioned and > 90% will be auctioned or sold.	NA	NA
Use of Allowance Value	Vary state to state. As a whole, the vast majority of auction revenue is directed towards energy efficiency programs.	Not established in September 2008 design document.	May vary jurisdiction to jurisdiction. The Advisory Group recommended that allowance value go towards: (1) accelerating transformational investment in technologies and infrastructure; (2) cost mitigation for end-users, particularly low-income consumers and energy intensive industry, and (3) adaptation.
Cost Containment	3-year compliance period, unlimited banking, early action credit, offsets, and price triggers. At stage 1 trigger ($7 + consumer price index), offsets expand to 5% of compliance obligation. At stage 2 trigger ($10 + consumer price index + 2%), offsets expand to 10% of compliance obligation, increase the compliance period from 3 to 4 years, and can use international allowances and offsets approved via the CDM or Joint Implementation Program.	3-year compliance period, unlimited banking, early action credit, and offsets.	3-year compliance period, unlimited banking, limited borrowing, early action credit, offsets, and price thresholds. Market Oversight and Cost Containment (MOCC) Committee will establish upper and lower price thresholds. If prices are too high, allowance borrowing and offset limits will be expanded. If prices are too low, allowance borrowing will be curtailed and offset limits tightened. If allowance prices substantially exceed the price threshold, allowances will be released from a reserve pool established by a 2% annual set-aside from under the cap. If allowance prices are extremely low, the MOCC will withdraw allowances from the market and put them in the cost containment pool.

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